



# CITY OF LODI

## REDEVELOPMENT AGENCY

**AGENDA TITLE:** Resolution of the Redevelopment Agency of the City of Lodi approving and adopting rules governing participation by property owners and the extension of reasonable preferences to business occupants in the Lodi Redevelopment Project No. 1

**MEETING DATE:** May 15, 2002

**PREPARED BY:** Community Development Director

**RECOMMENDED ACTION:** That the Redevelopment Agency adopt the Resolution of the Redevelopment Agency of the City of Lodi approving and adopting rules governing participation by property owners and the extension of reasonable preferences to business occupants in the Lodi Redevelopment Project No. 1.

**BACKGROUND INFORMATION:** State Redevelopment law requires that Redevelopment Agencies provide for participation in the redevelopment of property in the Project Area by owners of property if they agree to participate in the redevelopment in conformity with the plan.

While it seems out of place in the series of actions the Agency must take, the State Law is quite clear that the rules governing participation by property owners must be approved by the Agency prior to approval of the Redevelopment Plan.

Basically, the rules that are proposed are intended to encourage participation in the redevelopment process by property owners within the area. Further, it is the intent to extend reasonable preferences to business occupants of property within the project area boundaries as well.

**FUNDING:** None required

Konradt Bartlam  
Community Development Director

Attachments

**APPROVED:** \_\_\_\_\_

H. Dixon Flynn -- City Manager

**RULES GOVERNING PARTICIPATION BY PROPERTY OWNERS  
AND THE EXTENSION OF REASONABLE PREFERENCES TO  
BUSINESS OCCUPANTS IN THE  
LODI REDEVELOPMENT PROJECT NO. 1**

*Prepared by the  
Redevelopment Agency of the City of Lodi*

*Adopted: May 15, 2002*

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AND THE EXTENSION OF REASONABLE PREFERENCES  
TO BUSINESS OCCUPANTS IN THE  
LODI REDEVELOPMENT PROJECT NO. 1**

**I. [§100] PURPOSE AND INTENT**

These rules are adopted pursuant to the Community Redevelopment Law of the State of California (Health and Safety Code Section 33000 et seq.) in order to implement the provisions of the Redevelopment Plan for the Lodi Redevelopment Project No. 1 regarding participation by property owners and the extension of reasonable preferences to business occupants within the Project. These rules set forth the procedures governing such participation and preferences.

It is the intention of the Agency to encourage and permit participation in the redevelopment of the Project Area by property owners and to extend reasonable preferences to business occupants of real property within the boundaries of the Project Area to the maximum extent consistent with the objectives of the Redevelopment Plan.

**II. [§200] DEFINITIONS**

As used herein, the following definitions apply:

(1) "Agency" means the Redevelopment Agency of the City of Lodi, California.

(2) "Business Occupant" means any person, persons, corporation, association, partnership, or other entity engaged in business within the Project Area on or after the date of adoption of the Redevelopment Plan by the City Council.

(3) "City Council" means the City Council of the City of Lodi, California.

(4) "Owner" means any person, persons, corporation, association, partnership, or other entity holding title of record to real property in the Project Area on or after the date of adoption of the Redevelopment Plan by the City Council.

(5) "Owner Participation Agreement" means an agreement entered into by an Owner with the Agency in accordance with the provisions of the Redevelopment Plan and these rules.

(6) "Project Area" means the area described in the "Legal Description of the Project Area Boundaries" (Attachment No. 1 of the Redevelopment Plan) and shown on the "Project Area Map" (Attachment No. 2 of the Redevelopment Plan).

(7) "Redevelopment Plan" means the Redevelopment Plan for the Lodi Redevelopment Project No. 1 as adopted by the City Council by Ordinance No. \_\_\_\_\_ on \_\_\_\_\_, 2002.

### III. [§300] ELIGIBILITY

Owners shall be eligible to participate in the redevelopment of property within the Project Area in accordance with the provisions of the Redevelopment Plan, these rules, and the limitations herein described.

Participation opportunities are necessarily subject to and limited by factors such as the following:

- (1) The appropriateness of land uses proposed and consistency with the General Plan of the City of Lodi and the Redevelopment Plan;
- (2) The construction, widening, or realignment of streets;
- (3) The ability of participants to finance acquisition and development in accordance with the Redevelopment Plan and development criteria adopted by the Agency in implementation of the Redevelopment Plan;
- (4) The desirability of land assemblage in the Project in order to create efficient and marketable commercial and industrial parcels; and
- (5) The construction or expansion of public facilities.

The Agency presently contemplates that in carrying out the Redevelopment Plan, certain portions of the Project Area may be acquired by the Agency for public improvements, facilities, and utilities and for other uses and purposes in accordance with the Redevelopment Plan. Therefore, owner participation opportunities will not be available for such properties.

### IV. [§400] TYPES OF PARTICIPATION

Subject to these rules and the limitations in Section 300 and this Section 400, Owners shall be given a reasonable opportunity to participate in redevelopment by:

- (1) Retaining all or a portion of their properties and developing or improving such property for use in accordance with the Redevelopment Plan;
- (2) Acquiring adjacent or other properties within the Project Area and developing or improving such property for use in accordance with the Redevelopment Plan; or
- (3) Selling their properties to the Agency and purchasing other properties in the Project Area.

The foregoing methods of providing owner participation opportunities shall not be deemed exclusive.

#### V. [§500] CONFORMING OWNERS

The Agency may, in its sole and absolute discretion, determine that certain real property within the Project Area presently meets the requirements of the Redevelopment Plan, and the Owners of such property will be permitted to remain as conforming Owners without an Owner Participation Agreement with the Agency, provided such Owners continue to operate, use, and maintain the real property within the requirements of the Redevelopment Plan.

In the event that any of the conforming Owners desire to (1) construct any additional improvements or substantially alter or modify existing structures on any of the real property described above as conforming, or (2) acquire additional property within the Project Area, then, in such event, such conforming Owners may be required by the Agency to enter into an Owner Participation Agreement with the Agency.

#### VI. [§600] OWNER PARTICIPATION AGREEMENTS

Owners wishing to participate in redevelopment within the Project Area may be required, as a condition to participation, to enter into an Owner Participation Agreement with the Agency if the Agency determines it is necessary to impose upon the property any of the standards, restrictions, and controls of the Redevelopment Plan. The Agreement may require the participant to join in the recordation of such documents as the Agency may require in order to ensure the property will be developed and used in accordance with the Redevelopment Plan and the Owner Participation Agreement.

#### VII. [§700] CONTENTS OF OWNER PARTICIPATION AGREEMENTS

An Owner Participation Agreement shall obligate the Owner, his or her heirs, successors and assigns, and tenants to devote the property to the uses specified in the Redevelopment Plan, abide by all provisions and conditions of the Redevelopment Plan for the period of time that the Redevelopment Plan is in force and effect, and comply with all the provisions of the Owner Participation Agreement according to their terms, duration, and effect.

An Owner Participation Agreement may provide that if the Owner does not comply with the terms of the Agreement, the Agency, in addition to other remedies, may acquire such property or any interest therein by any lawful means, including eminent domain, for its fair market value as of the date of the Owner Participation Agreement, and the Agency may thereafter dispose of the property or interest so acquired in accordance with the Redevelopment Plan.

An Owner Participation Agreement shall contain such other terms and conditions which, in the discretion of the Agency, may be necessary to effectuate the purposes of the Redevelopment Plan.

VIII. [§800] LIMITATIONS ON ACQUISITION OF PROPERTY BY THE AGENCY

The Agency shall not acquire real property to be retained and developed by an Owner pursuant to a fully executed Owner Participation Agreement if the Owner fully performs under the Agreement.

The Agency shall not acquire real property on which an existing building is to be continued on its present site under the Redevelopment Plan and in its present form and use without the consent of the Owner, unless:

- (1) Such building requires structural alteration, improvement, modernization, or rehabilitation;
- (2) The site or lot on which the building is situated requires modification in size, shape, or use;

or

(3) It is necessary to impose upon such property any of the controls, limitations, restrictions, and requirements of the Redevelopment Plan, and the Owner fails or refuses to participate in redevelopment by executing an Owner Participation Agreement in accordance with the provisions of the Redevelopment Plan.

IX. [§900] PREFERENCE TO BUSINESS OCCUPANTS WITHIN THE PROJECT AREA

Business Occupants who desire to remain within the Project Area shall be extended a reasonable preference to remain or reenter in business within the Project Area if they otherwise meet the requirements prescribed in these rules and the Redevelopment Plan, provided said Business Occupants are able to demonstrate the financial ability to remain or reenter in business within the Project Area.

X. [§1000] AMENDMENT OF RULES

These rules may be modified or amended from time to time by the Agency at any regular or duly called special meeting, provided, however, that no such amendment shall retroactively impair the rights of Owners who have executed Owner Participation Agreements with the Agency in reliance upon these rules as presently constituted.

AGENCY RESOLUTION NO. RDA2002-04

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF LODI  
APPROVING AND ADOPTING RULES GOVERNING PARTICIPATION BY  
PROPERTY OWNERS AND THE EXTENSION OF REASONABLE  
PREFERENCES TO BUSINESS OCCUPANTS IN THE LODI  
REDEVELOPMENT PROJECT NO. 1

WHEREAS, the Redevelopment Agency of the City of Lodi has prepared a proposed  
Redevelopment Plan for the Lodi Redevelopment Project No. 1; and

WHEREAS, Section 33345 of the California Community Redevelopment Law (Health  
and Safety Code Section 33000 et seq.) provides that a redevelopment agency shall adopt and  
make available for public inspection rules to implement the operation of owner participation in  
connection with a redevelopment plan; and

WHEREAS, Section 33339.5 of the California Community Redevelopment Law provides  
that a redevelopment agency shall adopt and make available for public inspection rules  
regarding the extension of reasonable preferences to persons who are engaged in business in  
the project area to reenter in business within the redeveloped area if they otherwise meet the  
requirements prescribed by the redevelopment plan.

NOW, THEREFORE, BE IT RESOLVED, that the Redevelopment Agency of the City of  
Lodi, does hereby approve and adopt the "Rules Governing Participation by Property Owners  
and the Extension of Reasonable Preferences to Business Occupants in the Lodi  
Redevelopment Project No. 1" in the form attached hereto and incorporated herein by  
reference.

Dated: May 15, 2002


I hereby certify that Resolution No. RDA2002-04 was passed and adopted by the Members  
of the Redevelopment Agency in a regular meeting held May 15, 2002 by the following vote:

AYES: MEMBERS – Howard, Land, and Chairperson Pennino

NOES: MEMBERS – Nakanishi

ABSENT: MEMBERS – Hitchcock

ABSTAIN: MEMBERS – None

  
PHILLIP A. PENNINO  
Chairperson

Attest:

  
SUSAN J. BLACKSTON  
Secretary

RDA2002-04



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